December 2011

Regional Economic Indicators

North Central Region

Government of Alberta

NORTH CENTRAL REGION

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The Region at a Glance

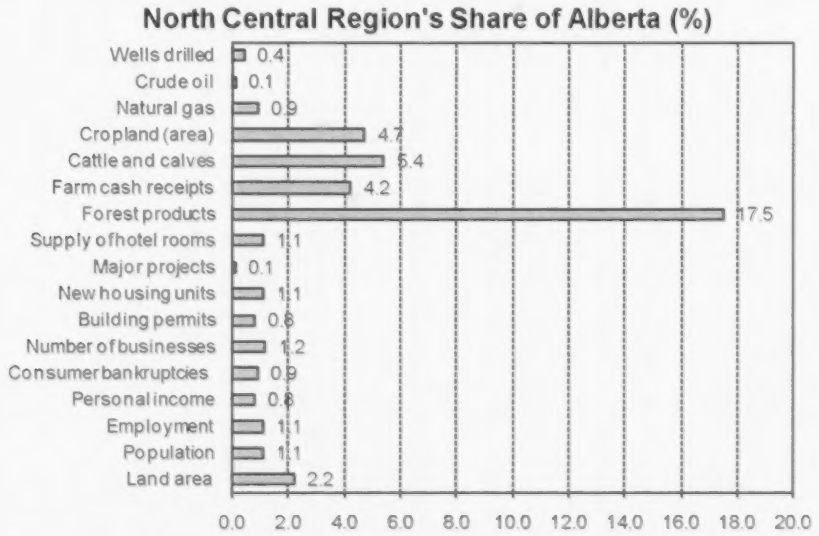
The North Central region of Alberta covers an area of 13,780 square kilometers, larger in size than the state of Connecticut. The region accounts for 2.2% of Alberta's land mass and for 1.1% of Alberta's population.

According to Statistics Canada's latest estimates, the region's population totaled 42,200 in 2010, an increase of 2.9% from 2006. The region's unemployment rate was 6.2% in 2010, the same rate as in 2009. According to the 2006 federal Census, the number of employees was 20,885 in 2006.

The region's largest industry on an employment basis is agriculture, accounting for almost 15% of total employment, followed by retail trade, oil and gas, construction, education, and health care and social assistance at between 8% and 9% each. The region also has a sizeable manufacturing base, which is concentrated in the forest product and food product sectors. The fastest growing industry between Census years 2001 and 2006 was the oil and gas sector, which increased its employment by two-thirds. Employment in the agricultural sector, which has been on a long and steady decline in the province, fell by 21% in the North Central region between the two Census years.

The North Central region is one of Alberta's top agricultural regions. It accounts for 6.3% of the province's total number of farms, and is one of the province's largest producers of oats and alfalfa and hay. It is also the province's third largest producer of forest products, such as lumber and pulp.

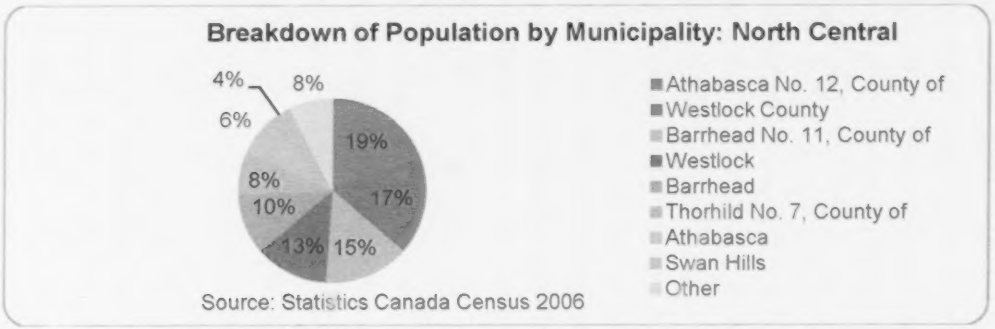
According to personal income taxfiler data the average individual income was $29,100 per taxfiler in 2007, a large 43% increase from 2003. Average income for couples was $86,350 in 2007, a 45% rise from 2003.



Although very few current indicators are available on a regional basis, it is clear that the impacts of the global economic crisis have also subsided in this region; for instance the number of Employment Insurance beneficiaries receiving regular benefits in North Central Alberta fell by 3% between 2009 and 2010. Moreover, the number declined by a further 27% between September 2010 and September 2011.

Major Municipalities

The largest municipality in the North Central Region, according to the 2006 Statistics Canada Census, was the County of Athabasca with a population of 7,592[1]. According to the same census, the same municipality had the highest population growth between 2001 and 2006 - an increase of 6.6% or 71 residents between 2001 and 2006[2].



Economic Indicators: North Central Region

Major Municipalities *	Status	2006 Population	2001 Population	5 Year % Change	1996 Population	10 Year % Change
Athabasca No. 12, County of	Municipal District	7,592	7,521	6.6%	7,415	11.3%
Westlock County	Municipal District	6,910	6,859	3.9%	6,958	4.0%
Barrhead No. 11, County of	Municipal District	5,845	5,768	1.3%	5,870	-0.4%
Westlock	Town	5,008	4,819	1.3%	4,817	0.1%
Barrhead	Town	4,209	4,213	0.9%	4,239	2.4%
Thorhild No. 7, County of	Municipal District	3,042	3,120	1.0%	3,077	5.2%
Athabasca	Town	2,575	2,415	-0.1%	2,313	-0.7%
Swan Hills	Town	1,645	1,807	-2.5%	2,030	-1.1%
Boyle	Village	844	836	-4.3%	802	14.6%
Clyde	Village	470	491	-9.0%	410	-19.0%

Source: Statistics Canada, Census 1996, 2001, 2006

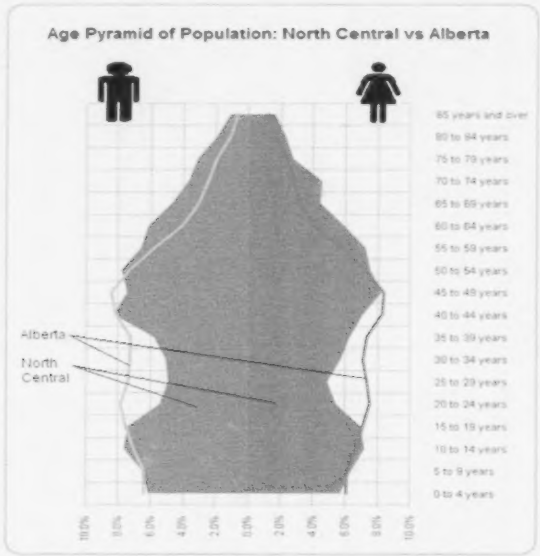
* Top 10 cities, towns, villages and municipal districts in region, based on population in latest census year

[1] Note: the Census under-estimates the overall population totals for any region or municipality as some people are not counted. The reasons for this under-coverage can range from some households not receiving a census questionnaire to individuals not being included in the questionnaire completed for a household.

[2] Numerical differences between the federal and municipal censuses may be ascribed to slight variations in the definition of "usual residence," as well as how "shadow populations" are treated. While municipalities define the "shadow population" as "temporary residents of a municipality who are employed by an industrial or commercial establishment in the municipality for a minimum of 30 days" and include them in their official population numbers if they consist at least 10% of the municipality's population or a minimum of 1,000 individuals, the shadow population of transient workers is not accounted for in population counts conducted by Statistics Canada.

Demographics

According to the most recent Statistics Canada Census, the population of the North Central Region was 39,841 in 2006 or 1.2% of Alberta's total population. This was a 2.0% increase from the Census estimate of 2001 and a 1.9% increase from the 1996 Census estimate. The Census indicates that, on average, the North Central region's population is somewhat older than the provincial average. This may prove to be a challenge for the smaller cohort in the current prime working age group, as they are increasingly required to sustain the larger cohort of the retiring age group through higher productivity levels.



Economic Indicators: North Central Region			
	2006	**2001**	**1996**
Census Population[3]	39,841	39,065	39,078
% of Provincial Total	1.2%	1.3%	1.4%
Population Components	**2006**	**2001**	**1996**
Age Group: 0 - 14 (%)	19.5	20.8	23.1
Age Group: 14 – 24 (%)	12.6	13.4	N/A
Age Group: 25 – 44 (%)	24.0	26.5	N/A
Age Group: 45 – 64 (%)	28.5	25.0	N/A
Age Group: 65+ (%)	16.2	15.4	14.2
Dependency Ratio [4]	55.5	57.1	59.3
Old Age Dependency Ratio [5]	25.2	24.3	22.6
Source: Statistics Canada, Census 1996, 2001, 2006			

[3] See below paragraph about the under-coverage problems of Census population estimates

[4] Dependency Ratio: The percentage of the population below the age of 15(Child) and over the age of 64 (Elderly) divided by the number of adults (15-64). This is the population of children and elderly that are dependent on the adult population for economic needs.

[5] Age Dependency Ration: The percentage of the population over the age of 64 (Elderly) divided by the number of adults (15-64). This is the population that is dependent on the adult population for economic needs.

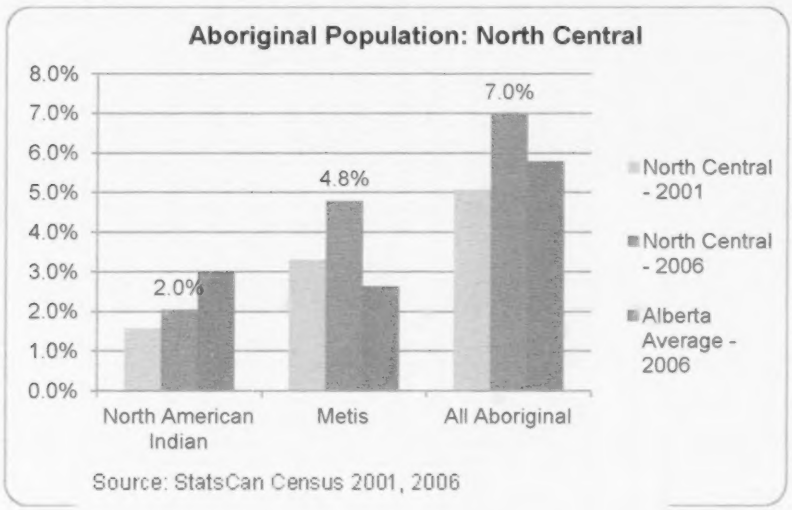
Although the Census provides the most detailed and accurate information at a single point in time on the demographic, social and economic conditions of the population, the Census under-estimates the overall population totals for any region as some people are not counted. The reasons for this under-coverage can range from some households not receiving a census questionnaire to individuals not being included in the questionnaire completed for a household. Therefore, the below presented post-censal estimates should be used as the official population estimates for the region.

Population Estimates – North Central Region					
	2010	**2009**	**2008**	**2007**	**2006**
Total Population (Thousands)	42.2	42.3	42.1	41.7	41.0
Share of Provincial Total (%)	1.1%	1.2%	1.2%	1.2%	1.2%
Source: Statistics Canada – estimates as of July 1 of each year					

According to the post-censal estimates, the region's population increased by 1,200 or 2.9% between 2006 and 2010, compared with 8.8% growth at the provincial level. The region's share of Alberta's population fell to 1.1% in 2010.

Aboriginal Population

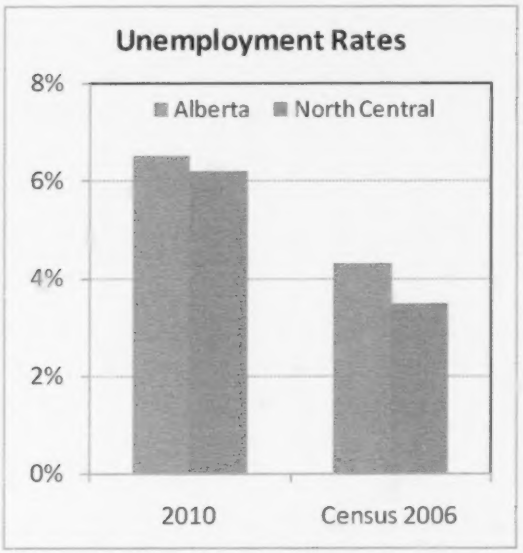
According to the 2006 federal Census Aboriginals made up 7% (2,735 individuals) of the population of the North Central Region, 2% of which defined themselves as North American Indians and 4.8% as Metis. [6]

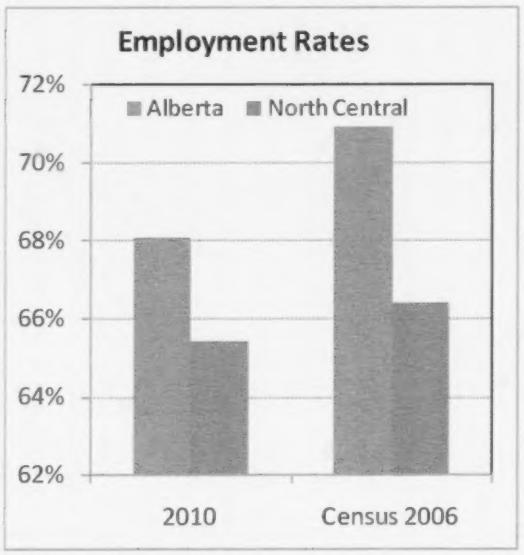


[6] **Aboriginals:** According to Statistics Canada Aboriginal identity is an indicator of a person's affiliation with an Aboriginal group that is North American Indian, Metis or Inuit. Non status and Status/Treaty Indians may be included in this group.
Metis: Registry and membership with the Metis Nation of Alberta is based upon a definition of Metis, which was passed at the Annual General Assembly held in Edmonton in August 2003. "Metis means a person who self-identifies as a Metis, is distinct from other aboriginal peoples, is of historic Metis Nation ancestry, and is accepted by the Metis Nation."
Registered (Status) or Treaty Indian Indians: According to Statistics Canada Registered Indians (also referred to as "status Indians") refer to those persons registered under the *Indian Act* while Treaty Indian refer to people who are registered under the *Indian Act* and who belong to an Indian Band or First Nation that signed a treaty with the Crown. Registered/Treaty Indians may be classified as on or off reserve indicating their place of residence.

Labour Force Characteristics

According to Statistics Canada's Labour Force Survey (LFS), the North Central region's employment rate[7] for the working age population of 15 years and older was 65.4% in 2010 and the participation rate[8] was 69.7%. By comparison, Alberta's employment and participation rates were higher at 68.1% and 72.9%, respectively. The region's unemployment rate was 6.2% in 2010, the same rate as in the previous year. This rate is lower than the provincial average of 6.5% for 2010.





Labour Force Characteristics – North Central Region					
	2006	2007	2008	2009	2010
Participation Rate: 15 years and older (%)	63.5	68.0	68.1	68.3	69.7
Unemployment Rate: 15 years and older (%)	n/a	n/a	4.9	6.2	6.2
Employment Rate: 15 years and older (%)	61.3	65.1	64.7	64.0	65.4

Source: Statistics Canada, Labour Force Survey
N/A= data suppressed, insufficient sample size

Statistics Canada cautions the reader that the regional Labour Force Survey estimates may be subject to large year-to-year fluctuations, especially for the smaller regions, due to sample size problems and there not being any population control totals for non-standard geographies such as this region.

Timely labour force estimates from the Labour Force Survey (LFS) are generally not reliable for small areas such as this region[9]. Statistics Canada therefore suggests to

[7] The employment rate measures the proportion of the adult population that is employed. Employment Rate = (Employed / Population 15+)*100. High labour utilization traditionally accompanies strong economic activity.

[8] The participation rate measures the proportion of the adult population that is in the labour force. Participation Rate = (Labour Force / Population 15+)*100. High labour participation is an effective indicator of the level of engagement among the working age population and traditionally accompanies strong economic activity.

[9] Due to sample size problems and there not being any population control totals for non-standard geographies.

only use the rates, such as unemployment rate and participation rate, from the LFS rather than the levels, such as total employment and working age population. As a result, Census estimates are used for the following discussions on employment level estimates.

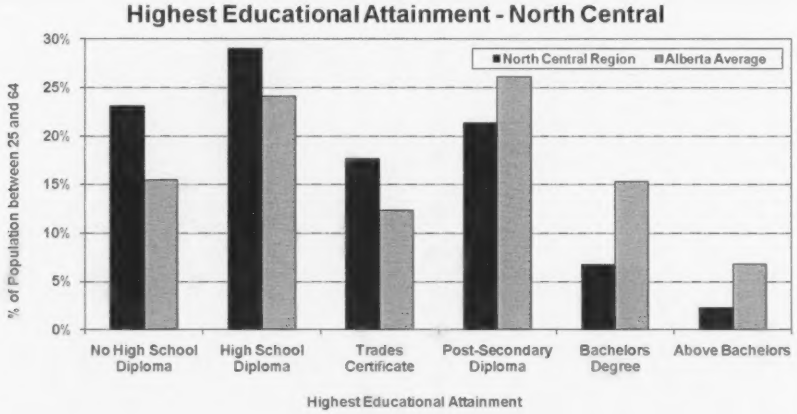
Between 2001 and 2006, the number of people employed in Alberta grew by 14.7% or by 239,800. Over the same period, employment in the North Central region grew by an estimated 900 or 4.5%. In 2006, the North Central Region made up 1.2% of Alberta's working age population (15+ years), and the region's increase in employment between 2001 and 2006 accounted for 0.4% of all new jobs created in Alberta over that period.

Labour Force Characteristics - North Central Region		
	2006	**2001**
Population: 15 years and older (Thousands)	31.5	30.1
Labour Force: 15 years and older (Thousands)	21.6	21.1
Employment: 15 years and older (Thousands)	20.9	20.0
Unemployment: 15 years and older (Thousands)	0.7	1.1
Participation Rate: 15 years and older (%)	68.7	70.0
Unemployment Rate: 15 years and older (%)	3.5	5.1
Employment Rate: 15 years and older (%)	66.4	66.5

Source: Statistics Canada Census, 2001 and 2006

Statistics Canada cautions the reader that the regional Labour Force Survey estimates may be subject to large year-to-year fluctuations, especially for the smaller regions. Because of these data problems, census data for 2001 and 2006 were used for all indicators for the smaller regions such as the North Central Region and data for these indicators for the other years are not included in the tables.

According to the 2006 census, the level of educational attainment is lower for this region than for Alberta. For the working aged population of between 25 and 64 years, 30.3% had a post-secondary degree or diploma, compared with 48.1% for all of Alberta. However, the region does have a larger share holding a trades certificate: 17.6% in the region vs. 12.4% in Alberta. 23.1% of the region's working age population did not finish high school, higher than the Alberta average of 15.4%.

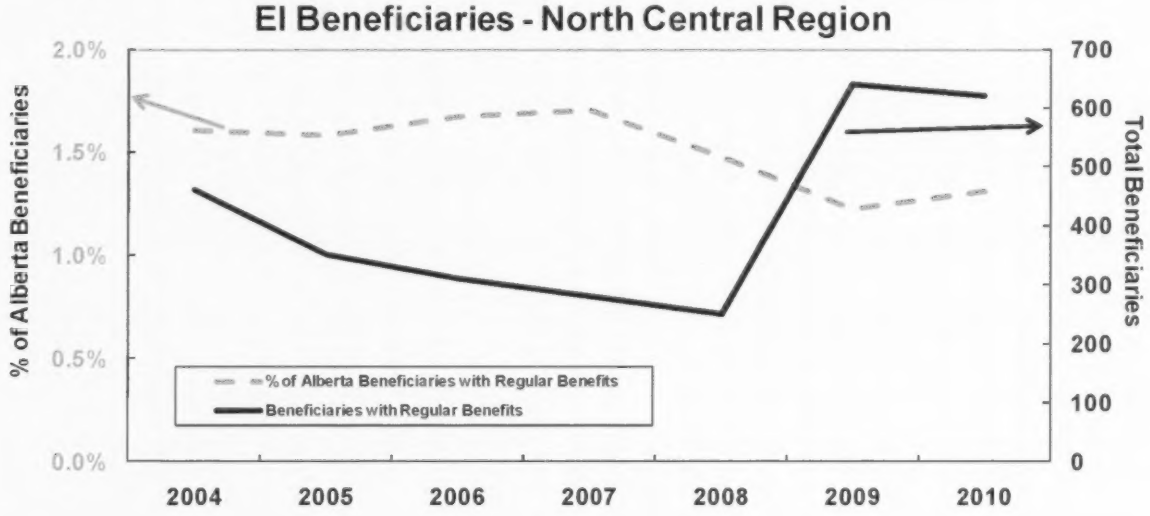


Employment Insurance Beneficiaries

In 2010, 620 people received regular Employment Insurance (EI) benefits[10] in the North Central region, a 3% decrease from the 2009 total of 640[11]. Over the same period, the number of EI recipients fell by 9% in Alberta. As a result, the region's share of Alberta EI recipients rose slightly to 1.3%. Between February 2010 and February 2011, the number of regular beneficiaries fell by an estimated 14% in the region.

The total number of income beneficiaries[12] with both regular and special benefits, such as for sickness or parental leave, fell at a lower rate of 2% between 2009 and 2010 as all of the decrease in income beneficiaries was the result of the decrease in the number of regular beneficiaries, rather than those receiving special benefits.

Note: although this measure provides a useful gauge of unemployment it is an imperfect measure, as it excludes self-employed workers and individuals who were unemployed for more than 12 months. At the Canadian level, the EI beneficiaries-to-unemployed ratio was fairly stable over time prior to the recession at between 40% and 45%. In Alberta, the ratio fell gradually during the economic boom years from more than 40% in 1996 to less than 25% in 2007 and the first nine months of 2008. The ratio climbed to more than 40% in 2009 and was 36% in 2010.



EI Recipients: North Central								
	2005	2006	2007	2008	2009	2010	1-Year Change	5-Year Change
Total Income Beneficiaries	620	590	570	530	950	930	-2%	50%
# of EI Beneficiaries with Regular Benefits	350	310	280	250	640	620	-3%	77%
% of Alberta Beneficiaries with Reg. Benefits	1.6%	1.7%	1.7%	1.5%	1.2%	1.3%	0.1%	-0.3%
Source: Statistics Canada, Human Resources and Skills Development Canada								

[10] The number of beneficiaries receiving regular benefits excludes claimants receiving training, job creation and self-employment benefits as well as other employment and support measures benefits.
[11] Economic Action Plan provides beneficiaries with five extra weeks of regular EI benefits in 2009 and 2010.
[12] The number of beneficiaries receiving total income benefits includes both the beneficiaries receiving regular benefits and those receiving special benefits, such as for training, job creation, sickness, parental.

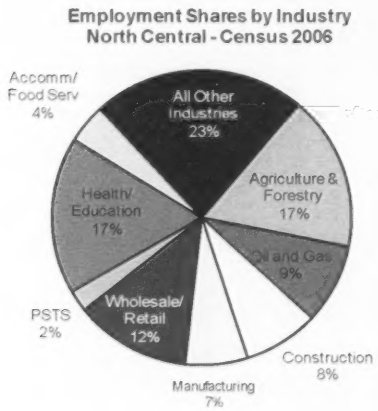
Employment by Industry

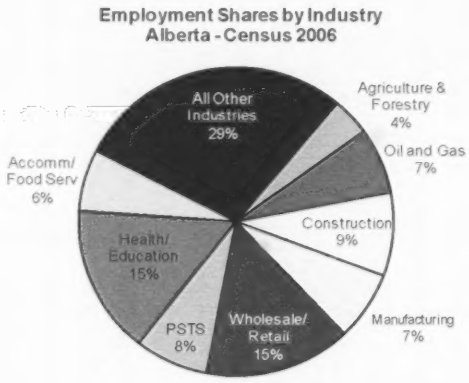
In 2006, according to Statistics Canada's census data, the services-producing sector in the North Central Region accounted for about 59% of the total number employed. By comparison, the service sector accounted for 73% of Alberta's employment.

The Agriculture and Forestry industry employed the largest number of individuals. This industry accounted for 17% of the region's employment, compared with the industry's 4% share at the provincial level. The region has a sizeable logging sub-sector, as well as a large animal and crop farming sub-sector. The North Central Region accounted for 1.1% of total Alberta employment, but for 6.4% of Alberta employment in Agriculture and Forestry. The region's second largest industry is the Retail Trade sector.

Between 2001 and 2006, the Mining and Oil and Gas industry had the largest employment gain (up 730), mainly because of increased drilling activity. In the region's second largest industry, Retail Trade, employment decreased by about 100.

Although estimates from the Labour Force Survey are not very reliable[13] for the small regions, it is clear from the survey's results that the Mining and Oil and Gas, Construction, Retail Trade, Health Care and Social Assistance, and Education sectors have increased their employment levels between 2006 and 2009.





PSTS = professional, scientific and technical services

[13] Due to sample size problems and there not being any population control totals for non-standard geographies.

Employment by Industry - North Central Region		
	2006	2001
All Industries (Thousands) - Total	**20.9**	**20.0**
Goods-Producing Sector	**8.6**	**8.7**
Agriculture & Forestry	3.6	4.5
Mining & Oil & Gas	1.8	1.1
Utilities	0.2	0.1
Construction	1.7	1.6
Manufacturing	1.4	1.4
Services-Producing Sector	**12.3**	**11.3**
Wholesale Trade	0.7	0.7
Retail Trade	1.9	2.0
Transportation & Warehousing	1.1	1.0
Finance, Insurance, Real Estate & Leasing	0.6	0.5
Professional, Scientific & Technical Services	0.5	0.4
Business, Building & Other Support Services	0.6	0.5
Educational Services	1.8	1.6
Health Care & Social Assistance	1.8	1.6
Information, Culture & Recreation	0.4	0.3
Accommodation & Food Services	0.9	1.1
Other Services	1.2	0.9
Public Administration	0.8	0.7

Source: Statistics Canada, Census 2001 and 2006

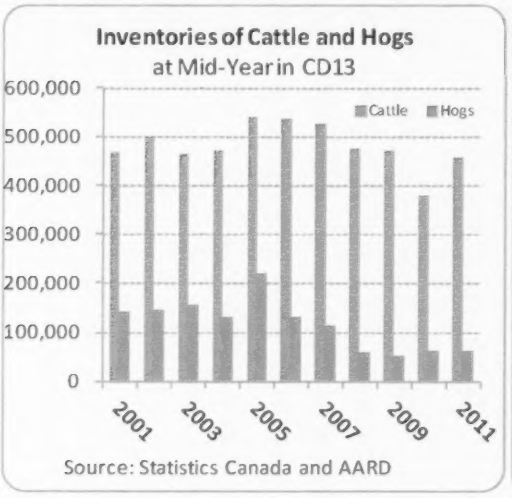
Statistics Canada cautions the reader that the regional Labour Force Survey estimates may be subject to large year-to-year fluctuations, especially for the smaller regions. Because of these data problems, census data for 2001 and 2006 were used for all indicators for the smaller regions such as the North Central Region and data for these indicators for the other years are not included in the tables.

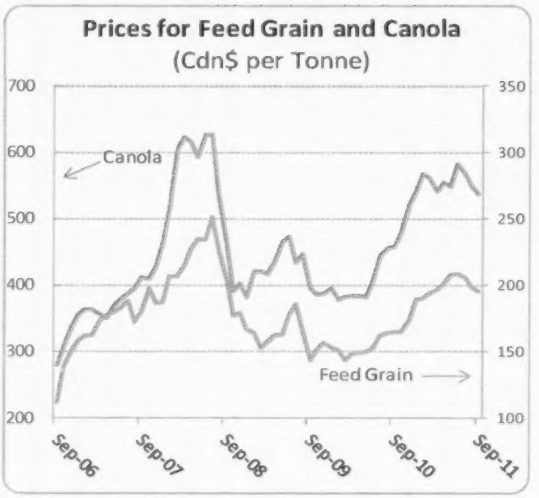
Agriculture

The North Central region had total farm cash receipts of $413 million in Census year 2006, accounting for 4.2% of Alberta's farm receipts. In that year, there were just over 3,100 farms in the region with a total acreage of 2.2 million acres. Average farm size was 720 acres.

The region accounted for 5.3% of Alberta's total value of on-farm livestock and poultry with a total market value of $266 million in 2006. The total number of cattle and calves was 345,000, most of them beef cattle. The North Central region's share of Alberta's total number of cattle and calves was 5.4%, of hogs 5.9%, and of hens and chickens 6.0%.

Cropland acreage totaled 1.1 million acres or 4.7% of Alberta's cropland. The region's major crops include barley, oats, spring wheat, alfalfa, hay and canola.





Very few current agricultural indicators are available for these special geographies. However, livestock estimates are available for Census Division 13 (CD13), which consists mostly of the North Central region[1]. Between mid-year 2006 and mid-year 2011, the number of cattle and calves in CD 13 declined by 15%, while the number of hogs declined sharply by 47%.

In crop year 2009-10 (year ending August 31, 2009), grain and oilseed deliveries at the Westlock elevator in the North Central region totaled about 130,000 tonnes[2], down 26% from 2008-09. Wheat (excluding durum) accounted for 76% of the total tonnage, followed by canola (15%) and barley (9%).

Prices for canola and feed grain had more than doubled between early 2006 and the summer of 2008, but fell sharply by about 40% through early 2009. Crop prices rebounded strongly between spring 2010 and summer 2011, but recent global uncertainties have led to modest price declines during the past few months. Prices for red spring wheat fell sharply in August and September, but recovered some of their losses in October 2011. The recent weakening of the Canadian dollar against the US dollar will benefit Alberta crop and cattle growers.

In 2011, Alberta crop production was significantly higher than in the previous year, with record harvests of canola (4.8 million tonnes) and spring wheat (7.6 million tonnes). Crop conditions in the North Central region were slightly better than normal that year.

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[1] A map of Agricultural Census Divisions can be found in: http://www.statcan.gc.ca/ca-ra2006/m/car-rar-eng.pdf

[2] Deliveries at grain elevators are not representative of production as not all grain is shipped to local elevators

Energy

Oil and gas production in the North Central region has diverged over the last five years, with gas production declining by 21.5% between 2004 and 2009, and oil production rising by 13.7% over the same period. Between 2008 and 2009, gas production declined by 9.3% while oil production fell by 10.3%.

North Central's share of overall Alberta gas production was 0.9% in 2009, making it the 14th largest producer out of 14 regions. Average annual gas prices dropped by 53.3% in 2009 to $3.65 per gigajoule. So far in 2010, gas prices have averaged $3.73, a slight increase from 2009, and low by historical standards.

The North Central region is the 12th largest conventional oil producing region in Alberta and the 13th largest overall oil producer (combining conventional and oil-sands). The region's share of Alberta's conventional oil production was 0.3% in 2009, but its share of total crude oil output was only 0.1%. Oil prices dropped by 38.0% to US$61.80 per barrel in 2009. However, so far in 2010 oil prices have averaged $78.96, an increase of 27.8%.
Over the last five years, the number of spudded wells[16] in the region has dropped 82.9%.

Between 2008 and 2009, the spud count dropped by 80.5% to 31 wells, accounting for 0.4% of the Alberta total. Part of the decline can be attributed to a weak global economy and soft energy prices. However, in the first 10 months of 2010, the number of wells drilled in Alberta rose 44% from the same period of 2009, largely because of a more than doubling in the number of conventional oil wells. The Petroleum Services Association of Canada is forecasting an increase of 5% in 2011 over 2010 for Alberta drilling. These drilling estimates and forecasts should provide some optimism for oil producers in North Central.

Economic Indicators: North Central Region					
Oil and Gas Statistics					
	2009	**2008**	**2004**	**% Change 1 Year**	**% Change 5 Years**
Crude oil production (millions of cubic metres)	0.1	0.1	0.1	-10.34%	13.68%
Natural gas production (billions of cubic metres)	1.3	1.4	1.6	-9.25%	-21.54%
Number of wells spudded	31	159	181	-80.50%	-82.87%
Source: Alberta Energy					

The region's total gas potential represents 1.5% of Alberta's overall reserves, and oil potential is 1.1% of Alberta's conventional reserves.

[16] A spud is the very beginning of a drilling operation for a well

Forestry

The North Central region is the province's third largest producer of forest products, such as lumber and wood pulp. It is also the province's largest producer of pulp. As a result, one of the region's largest manufacturing sectors is pulp and paper. In 2009, the region accounted for 17.5% of all the wood fiber processed in the province.

Of the 3.7 million cubic metres of logs consumed by these two manufacturing sectors in the North Central region in 2009, 11% was used to produce lumber and 89% to produce pulp. Lumber production fell by 28% between 2005 and 2009 and pulp production rose 19%.

In 2009, forestry accounted for about 2,200 jobs (direct plus indirect and induced jobs) in the region, down from 2,700 jobs in 2005. Just under 800 of these jobs are direct jobs (processing jobs), an 18% decline from 2005. In Census year 2006, total employment in the region was 20,885. As the forestry sector accounted for an estimated 2,600 jobs (direct plus indirect and induced) in the same year, about 12% of the region's jobs are directly or indirectly related to the forestry industry.

Over the past four years, the value of shipments by Alberta's wood products sector fell by one-half, mainly because of the precipitous decline of the U.S. housing market. Between the first quarter of 2006 and the first quarter of 2009, U.S. housing starts fell from more than two million starts (on an annual basis) to fewer than 600,000 starts. During the past 18 months starts have remained in the 500,000 to 600,000 range. Canadian housing starts fell by one-half between mid-2008 and mid-2009, but have recovered most of their losses since then. Alberta housing starts also peaked in 2006, and fell by more than one-half between 2006 and 2009. Since then they have recovered strongly, but are not expected to return to 2006 levels over the near future.

The value of shipments by the North Central region's wood products and pulp and paper sectors totaled about $720 million in 2009, a 12% increase from 2005.

The global economic and U.S. housing crises have had a profound impact on forest product prices. Prices for lumber had dropped by more than one-half between early 2006 and the early of 2009. However, these prices have increased sharply by about one-third since then. Pulp prices dropped by less than 30% between mid-2008 and the second quarter of 2009 and reached new highs by mid-2010.

Wage and Salary Survey

Alberta Employment and Immigration commissions a detailed wage and salary survey every two years. The survey provides information on wages and salaries for full-time and part-time employees in Alberta by occupation, geographic area and industry[17]. The latest survey was conducted in 2009 and for the first time wage and salary estimates have been prepared for Alberta's 14 economic regions.

In 2009, the average hourly wage was $21.56 in the North Central region[18], 13.2% less than the Alberta average of $24.34 per hour.

The industries in the region with the largest number of reported employees were retail trade, healthcare and social services, manufacturing and education. The industry with the highest average wage was the oil and gas industry at $37.53 per hour, followed by public administration at $32.76. The accommodation and food services industry had the lowest average wage at $11.14 per hour.

The average number of hours worked per week was 37.9 for the region and 37.3 for all of Alberta. The industry with the most average hours per employee was the oil and gas sector at 60.4 hours, followed by construction at 45.1 hours.

As the below table clearly indicates, labour shortage problems are not confined to Alberta's urban core. The North Central region had a 7.2% vacancy rate[19] in 2009, compared with Alberta's 3.0%. Moreover, the region also reported more hiring difficulties[20] than Alberta (62% versus 41%). Labour shortages were particularly acute in accommodation and food services with a vacancy rate of 29.4% and with 87% of employers reporting hiring difficulties.

Alberta Wage and Salary Survey - 2009[21]

	North Central Region				Alberta			
	Average Hours Worked	Average Hourly Wage	Vacancy Rate	Hiring Difficulties	Average Hours Worked	Average Hourly Wage	Vacancy Rate	Hiring Difficulties
Total, All Industries	**37.9**	**$21.56**	**7.2%**	**62%**	**37.3**	**$24.34**	**3.0%**	**41%**
Oil & Gas Extraction	60.4	$37.53	n/a	n/a	41.3	$43.53	1.0%	17%
Construction	45.1	$20.53	0.9%	50%	42.3	$28.50	3.0%	61%
Manufacturing	40.1	$28.43	3.4%	68%	40.1	$24.70	1.4%	54%
Wholesale Trade	41.4	$22.95	1.1%	78%	39.7	$27.09	1.9%	40%
Retail Trade	32.0	$15.08	8.5%	72%	33.7	$17.31	2.3%	41%
Transportation & Warehousing	44.3	$25.16	0.0%	32%	42.2	$24.31	3.7%	51%
Health Care & Social Services	37.6	$26.28	3.0%	39%	37.3	$26.33	4.0%	51%
Accommodation & Food Services	34.4	$11.14	29.4%	87%	32.3	$11.95	6.9%	65%
Public Administration	36.8	$32.76	n/a	n/a	36.9	$31.10	2.2%	8%

Source: 2009 Alberta Wage and Salary Survey

[17] http://alis.alberta.ca/wageinfo

[18] The number of survey respondents for small regions may be too small to provide accurate overall wage estimates

[19] The percentage of total positions in this industry reported as unfilled for over four months

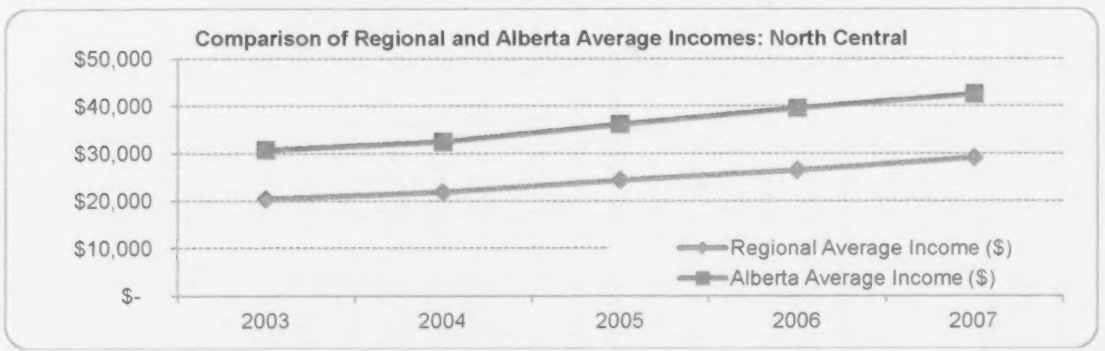
[20] Percent of employers with hiring difficulties

[21] Only industries with more than 100 reported employees were included in the table

Income, Taxfiler

In 2007, the average individual income in the North Central Region was $29,110, a 10% increase from 2006, but 31.6% less than the provincial average of $42,570 in 2007. In the same year, average couple income[22] in the North Central Region was $86,350, an 11.6% increase from the year before, but 31.2% less than the provincial average of $125,485 in 2007.

The percentage of taxfilers that reported an individual gross income over $100,000 was 4.8%, while 30% of taxfilers identified as couples reported an income of over $100,000.



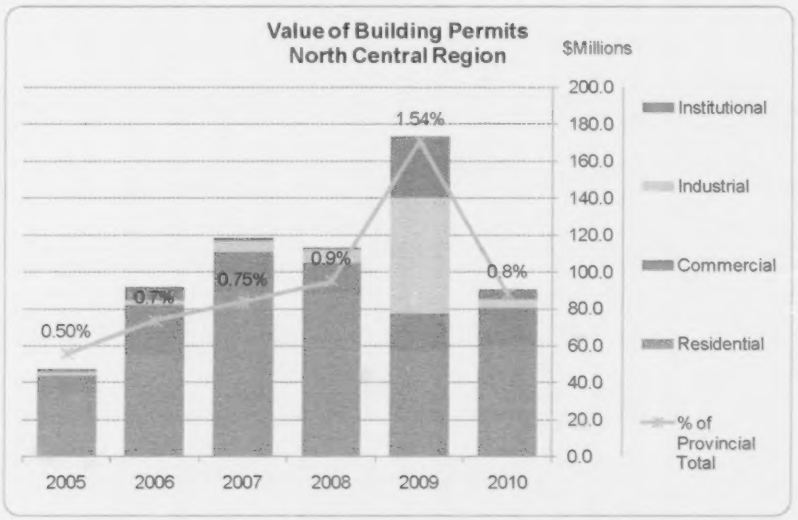
Economic Indicators: North Central Region						
	Single Taxfilers			Couple Taxfilers		
	2007	2006	2003	2007	2006	2003
Average Income ($)						
North Central	$29,110	$26,470	$20,390	$86,350	$77,395	$59,575
% Change 1 Year	10.0%			11.6%		
% Change 4 Year	42.8%			44.9%		
Alberta	$42,570	$39,560	$30,770	$125,485	$115,965	$87,775
% Change 1 Year	7.6%			8.2%		
% Change 4 Year	38.3%			43.0%		
Income Range						
0 or Negative	25.4%	25.9%	26.3%	0.4%	0.5%	0.9%
$1-$20,000	28.4%	30.1%	35.9%	5.5%	6.8%	10.7%
$20,000-$40,000	18.9%	19.2%	19.1%	18.9%	21.9%	28.4%
$40,000-$60,000	11.2%	10.7%	9.3%	16.0%	16.9%	19.5%
$60,000-$80,000	7.3%	6.8%	5.4%	15.3%	16.1%	16.4%
$80,000-$100,000	3.9%	3.4%	2.4%	14.0%	12.9%	10.2%
Over $100,000	4.8%	3.9%	1.6%	30.0%	25.0%	14.0%
Source: Alberta Finance and Enterprise						

[22] Couples are defined as married or common-law

Investment

In 2010, the total building permit value for the North Central region stood at a five-year low of $90.3 million, making up 0.8% of the provincial total. In 2010, the total building permit value for the North Central region decreased by 48% from 2009, but was 93% higher than the 2005 level. The decrease between 2009 and 2010 can be attributed to a large decrease in industrial permits of 93% to $4.7 million and an 86% drop in institutional permits to $4.8 million. Over the same period, residential permits increased by 7% to $60.5 million, while commercial permits decreased by 3%. Between 2005 and 2010, residential permits increased by 75%.

The total number of dwelling units for which building permits were taken out in the North Central region in 2010 was 296. This was a 5% increase from the previous year and a 27% increase from 2005 levels. Over that five-year period, the number of multiple family dwelling units rose by 75% to 70 units in 2010. Over the same period, the number of single dwellings increased by 17% to 226 units.



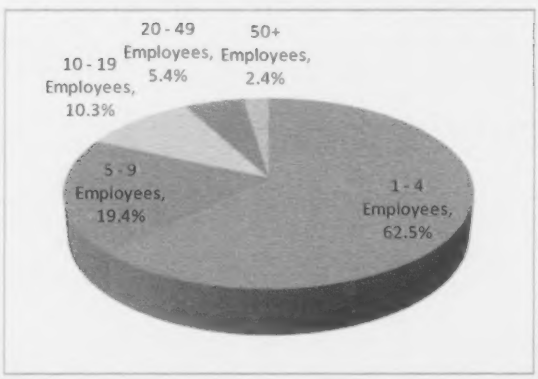
Economic Indicators: North Central Region								
Building Permits: Value ($ Millions)								
	2010	**2009**	**2008**	**2007**	**2006**	**2005**	**% Change 1 Year**	**% Change 5 Years**
Total	90.3	173.3	112.4	118.3	91.9	46.9	-47.9%	92.7%
% of Provincial Total	0.8%	1.5%	0.9%	0.8%	0.7%	0.5%	-48.5%	58.2%
Commercial	20.3	20.9	17.2	21.5	26.9	9.1	-3.0%	123.2%
Industrial	4.7	62.7	7.1	6.4	2.5	1.9	-92.6%	145.8%
Institutional	4.8	33.0	0.3	1.3	7.2	1.3	-85.5%	257.8%
Residential	60.5	56.7	87.8	89.1	55.4	34.5	6.7%	75.3%
Building Permits: Number of Dwelling Units								
	2010	**2009**	**2008**	**2007**	**2006**	**2005**		
Total	296	282	437	441	425	234	5.0%	26.5%
% of Provincial Total	1.1%	1.3%	1.5%	0.9%	0.8%	0.5%	-11.2%	107.9%
Single Dwellings	226	211	298	367	200	194	7.1%	16.5%
Multiple Use Dwellings	70	71	139	74	225	40	-1.4%	75.0%
Source: Statistics Canada, Compilation by Alberta Finance and Enterprise								

Establishments with Employees

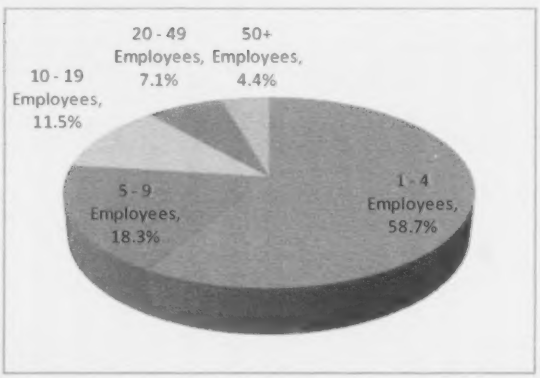
In 2010, the North Central Region had 1,806 establishments with employees, making up 1.2% of all establishments with employees in Alberta. Of these establishments 1,763 or 97.8% were small companies with between 1 and 49 employees. This region has the second highest small business share (97.8%) of any Alberta region, as well as the second highest share of micro-businesses with fewer than five employees (62.5%). The share of large companies with 50 or more employees is 2.4%, well below the Alberta average of 4.4%.

Number of Establishments by Employee Size in 2010: North Central Region and Alberta

North Central



Alberta



Between 2005 and 2010, there was a decline of 2.4% (or 45 companies) in the total number of businesses in the North Central Region and a 2.1% decrease (or 38 companies) in the number of small businesses. By comparison, at the provincial level, the total number of businesses increased by 2.3% and small companies experienced an increase of 3.4% over the same period.

In the North Central Region, 63% of companies with employees were involved in Service Industries in 2010. The total number of companies in service industries declined by 3.5% over the past five years, while the goods industry had a 0.6% drop over the same period.
Utilities and Construction is the largest industry in the region, making up 15.1% of establishments with employees in the North Central Region. By comparison, 13.8% of establishments with employees are engaged in the Utilities and Construction industry at the provincial level. Construction companies account for about 97% of the Utilities and Construction industry in this region.

Over the past five years, the Utilities and Construction industry also experienced the highest growth in the number of businesses, up 14.3% between 2005 and 2010. During that period, the second largest industry, Agriculture and Forestry, registered a large 15.1% decline in the number of businesses. About 90% of the number of businesses in

that industry is in the agricultural sector. The Accommodation and Food Services and Education sectors also had sizeable declines over the same period.

Numbers of Establishments by Industry North Central Region								
All Companies (1+ Employees)					Small Companies (1-49 Employees)			
	2005	2009	2010	5-Year % Change	2005	2009	2010	5-Year % Change
Total, All Industries	**1,851**	**1,869**	**1,806**	**-2.4%**	**1,801**	**1,827**	**1,763**	**-2.1%**
Total, Goods Industries	**676**	**703**	**672**	**-0.6%**	**667**	**691**	**661**	**-0.9%**
Agriculture & Forestry	272	230	231	-15.1%	272	230	231	-15.1%
Mining, Oil & Gas Extraction	109	134	113	3.7%	108	130	108	0.0%
Utilities & Construction	238	276	272	14.3%	236	272	269	14.0%
Manufacturing	57	63	56	-1.8%	51	59	53	3.9%
Total, Service Industries	**1,175**	**1,166**	**1,134**	**-3.5%**	**1,134**	**1,136**	**1,102**	**-2.8%**
Wholesale Trade	77	77	77	0.0%	77	75	75	-2.6%
Retail Trade	201	205	208	3.5%	198	201	204	3.0%
Transportation & Warehousing	156	151	148	-5.1%	151	151	147	-2.6%
Information, Culture, Recreation & Arts	34	36	33	-2.9%	34	34	31	-8.8%
Finance, Insurance, Real Estate & Leasing	89	81	84	-5.6%	86	81	84	-2.3%
Professional, Scientific & Technical Services	128	130	121	-5.5%	127	130	121	-4.7%
Administrative & Waste Management Services & Management of Companies	76	78	78	2.6%	73	78	78	6.8%
Educational Services	15	12	12	-20.0%	11	9	9	-18.2%
Health Care & Social Assistance	96	100	97	1.0%	86	88	84	-2.3%
Accommodation & Food Services	89	74	77	-13.5%	85	71	74	-12.9%
Other Services Excluding Private Household Services*	198	209	187	-5.6%	196	209	187	-4.6%
Public Administration	13	43	12	-7.7%	10	9	8	-20.0%
Source: Canadian Business Patterns, Statistics Canada								

* A new subsector, Private Households (hiring cooks, nannies, etc.) was created in 2006, thereby inflating the 2006 to 2010 estimates for the sector and the region as compared to previous years. Hence, to make the data comparable, the values shown for the "Other Services Excluding Private Household" industry has been adjusted and does not include the Private Households sector data.

Inventory of Major Projects

As of March 31, 2011, there were 7 projects proposed, planned, under construction or recently completed in the North Central region.

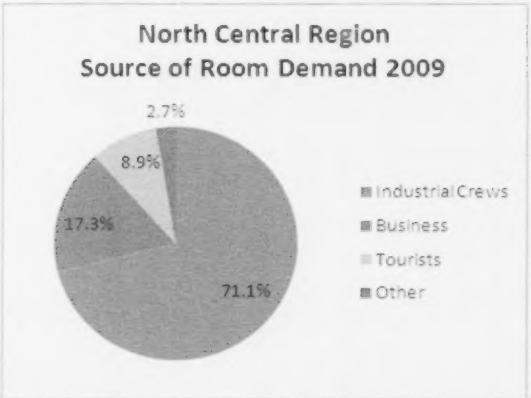
The total value for the projects in the North Central region was $159 million, as of March 31, 2011. About 35% of the projects' value is attributable to Infrastructure and Institutional projects.

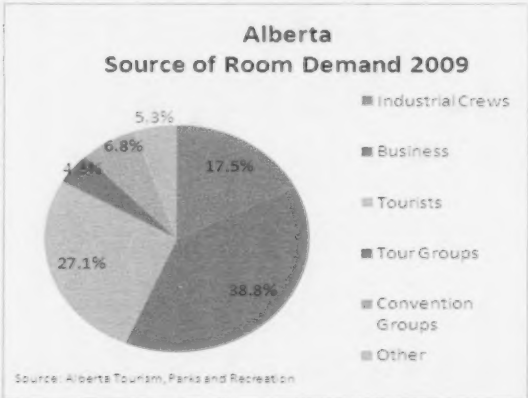
Economic Indicators: North Central Region				
Major Construction Projects, as of March 31				
	Number of Projects		**Value ($millions)**	
Industry Sector	**2011**	**2010**	**2011**	**2010**
Forestry & Related	1	0	$62.9	$0.0
Infrastructure	1	2	$13.0	$39.0
Institutional	3	4	$42.7	$66.8
Pipelines	1	0	$28.0	$0.0
Tourism/Recreation	1	1	$12.6	$13.0
Total	**7**	**7**	**$159.2**	**$118.8**
% of Provincial Total	**0.8%**	**0.8%**	**< 0.1%**	**0.1%**
Source: Alberta Finance and Enterprise, Inventory of Major Alberta Projects				

Note: 2010 and 2011 cannot be compared because some projects are carried over several years and there is only one cost available for the entire project.

Accommodation & Hospitality

In 2009 the North Central Region had 17 accommodation properties with a total of 720 rooms, accounting for 1.1% of available rooms in Alberta. The greatest demand for rooms came from industrial crews, who made up 54.3% of room demand. The second largest segment was business travelers at 24.9%. The average occupancy rate in the region was 49.5%, compared to the provincial average of 58.6%. The average room rate was $86.99, which was 22.5% lower than the provincial average of $112.19.





Economic Indicators: North Central Region		
Accommodation Statistics	**2008**	**2009**
North Central		
Number of Properties	16	17
Supply of Rooms	692	720
Share of Alberta Rooms	1.1%	1.1%
Average Number of Rooms/Property	43.3	43.3
Occupancy Rate	62.2%	49.5%
Average Room Rate	$98.49	$86.99
Alberta		
Average Number of Rooms/Property	82.5	82.0
Occupancy Rate	68.2%	58.6%
Average Room Rate	$113.54	$112.19
Source: Alberta Tourism, Parks and Recreation		

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- Alberta Oil Sands Industry Quarterly Update
- Facts on Alberta
- Highlights of the Alberta Economy
- Inventory of Major Alberta Projects
- Monthly Economic Review
- Alberta Natural Gas Industry Quarterly Update